THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S S PALANIMANICKAM) (a) There is no evidence to suggest that most of the co-operative societies having taxable income are not filing their returns of income or are evading payment of tax Wherever any default on the part of co-operative societies in filing their returns or payment of taxes due comes to the notice of the Department, appropriate action is taken

(b) and (c) Not applicable in view of (a) above

Education loans

2154 DR ALLADI P RAJKUMAR Will the Minister of FINANCE be pleased state

(a) whether the budget announcement on collateral free education loans up to Rs 7 5 lakhs to students has still not been implemented by banks,

(b) if so, the reasons therefor, and

(c) whether the guidelines in this regard have not been issued thus depriving students to get admission in professional courses this year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S S PALANIMANICKAM) (a) and (b) The information is being collected and will be laid on the Table of the House

(c) In consonance with Budget announcement 2004-05, Indian Banks Association has issued a circular on July 23, 2004 to all member banks not to ask for collateral on loans up to Rs 7 5 lakh Accordingly, now no security is required for loans up to Rs 4 lakh, only a satisfactory third party guarantee is enough for loans above Rs 4 lakh and upto Rs 7 5 lakh and collateral security of suitable value is required for loans above Rs 7 5 lakh

Revised inspection system for Banks

2155 SHRI EKANATH K THAKUR Will the Minister of FINANCE be pleased to state

(a) whether it is a fact that the Reserve Bank of India proposes to implement the revised inspection system for banks after shifting to the Risk Based Supervision (RBS) system,